

Bill no.: Title IV
H.L.C.
Amendment no. 1d
Date offered: 6/10/97
Disposition: adopted
voice vote

AMENDMENT **OFFERED BY MR. BARTON OF TEXAS**
TO THE SUBSTITUTE OFFERED BY MR. BILIRAKIS

Page 248, after line 3, insert the following new section (and conform the table of contents accordingly):

1 **SEC. 4743. COMPETITIVE BIDDING FOR CERTAIN ITEMS**

2 **AND SERVICES.**

3 (a) **ESTABLISHMENT OF DEMONSTRATION.**—Not
4 later than 1 year after the date of the enactment of this
5 Act, the Secretary of Health and Human Services shall
6 establish and operate over a 2-year period a demonstration
7 project in 2 geographic regions selected by the Secretary
8 under which (notwithstanding any provision of title XVIII
9 of the Social Security Act to the contrary) the amount
10 of payment made under the medicare program for a se-
11 lected item or service furnished in the region shall be equal
12 to the price determined pursuant to a competitive bidding
13 process which meets the requirements of subsection (b).

14 (b) **REQUIREMENTS FOR COMPETITIVE BIDDING**
15 **PROCESS.**—The competitive bidding process used under
16 the demonstration project under this section shall meet
17 such requirements as the Secretary may impose to ensure
18 the cost-effective delivery to medicare beneficiaries in the
19 project region of items and services of high quality.

20 (c) **DETERMINATION OF SELECTED ITEMS OR SERV-**
21 **ICES.**—The Secretary shall select items and services to be

1 subject to the demonstration project under this section if
2 the Secretary determines that the use of competitive bid-
3 ding with respect to the item or service under the project
4 will be appropriate and cost-effective. In determining the
5 items or services to be selected, the Secretary shall consult
6 with an advisory taskforce which includes representatives
7 of providers and suppliers of items and services (including
8 small business providers and suppliers) in each geographic
9 region in which the project will be effective.